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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

M2 Software, Inc.
v.
M2 Communications, Inc.

Opposition No. 91158118
to application Serial No. 76352778

M2 Software, Inc., pro se.

Jacquelyn Inserra of Budd Larner, P.C. for M2
Communications, Inc.

Before Quinn, Drost, and Zervas, Administrative Trademark
Judges.

Opinion by Drost, Administrative Trademark Judge:

On December 26, 2001, M2 Communications, Inc.
(applicant) applied to register on the Principal Register
the mark M2 COMMUNICATIONS (standard character form) for
goods identified as follows:

Interactive multimedia CD-ROMs containing educational
information in the fields of pharmaceutical and medical
product information, therapies and strategies, and
medical, pharmaceutical, and healthcare issues in Class
9.

Preparing promotional and merchandising material for
others and dissemination of advertising matter in the
field of pharmaceutical and medical products,
therapies, and strategies; business consulting services

in the field of promoting pharmaceutical and medical products, therapies, and strategies in Class 35.

Educational services in the nature of development, production, and dissemination of educational materials of others in the field of pharmaceuticals, medical and health care products in Class 41.¹

The application also contains a disclaimer of the term "Communications."

On September 10, 2003, M2 Software, Inc. (opposer) filed a notice of opposition to the registration of applicant's mark. Opposer alleges that applicant's mark is confusingly similar to opposer's registered trademark "M2" in standard character form for "computer software featuring business management applications for the film and music industries; and interactive multimedia applications for entertainment, education and information, in the nature of artists' performances and biographical information from the film and music industries; and instructions and information for playing musical instruments" in Class 9.² 15 U.S.C. § 1052(d). More broadly, the notice of opposition (p. 2) referred to "an inevitable likelihood of confusion [with] Opposer's senior M2® trademark, service mark, trade name, and corporate name."

¹ Serial No. 76352778 contains an allegation of a date of first use and first use in commerce of September 1997.

² Registration No. 1,931,182 issued October 31, 1995. The registration alleges a date of first use of October 23, 1991, and a date of first use in commerce of January 10, 1992.

Applicant denied the salient allegations of opposer's notice of opposition.

The Record

The record consists of the pleadings; the file of the involved application; the discovery deposition of Roy Wilschutt, an officer of applicant, with exhibits; the discovery deposition of David Escamilla, opposer's president, with exhibits; the affidavit of Roy Wilschut; and the declaration of Jacquelyn Inserra, applicant's attorney, submitting additional documents.³

Preliminary Matters

In a decision dated May 20, 2005, the board noted that although the parties filed motions for summary judgment, the parties' briefs were improper, and even if the briefs were proper, there would be at least one genuine issue of material fact that would prevent granting summary judgment. The parties were advised (p. 4) that "they may forego trial and stipulate that their cross-motions for summary judgment and evidence be treated as the final record and briefs therein." The parties so stipulated (Response filed June 15, 2005). Therefore, we will consider Opposer's Motion for Summary Judgment (Opposer's Motion) and Reply in Support of Motion for Summary Judgment (Opposer's Reply) as well as

³ Inasmuch as most of the evidence has been marked "confidential," we have limited our references to such evidence.

Applicant's Opposition to Motion for Summary Judgment and Cross Motion for Summary Judgment (Applicant's Motion) and Reply Memorandum of Law in Further Support of Its Cross-Motion for Summary Judgment (Applicant's Reply) as the briefs in this case.

In addition, opposer has paid only a single opposition fee so that it is assumed that opposer is opposing, and the parties concentrated their arguments on, the goods in Class 9. Therefore, regardless of the outcome of proceedings, applicant will be entitled to a registration for the services in Classes 35 and 41.

Finally, opposer, as plaintiff in the opposition proceeding, bears the burden of proving, by a preponderance of the evidence, its asserted grounds of priority and likelihood of confusion. See Cerveceria Centroamericana, S.A. v. Cerveceria India Inc., 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989); Cunningham v. Laser Golf Corp., 222 F.3d 943, 55 USPQ2d 1842, 1848 (Fed. Cir. 2000).

Because of opposer's proof of ownership and use of its registered mark, we find that opposer has established its standing to oppose. See, e.g., Lipton Industries, Inc. v. Ralston Purina Company, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). Also, priority is not an issue here, at least to the extent that it owns a registration for the mark M2.

See King Candy Co. v. Eunice King's Kitchen, 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974).

However, we must also consider opposer's priority regarding its "service mark, trade name, and corporate name" (Notice of Opposition, p. 2). The opposed application has a filing date of December 26, 2001 and applicant can rely on its filing date as its priority date. See Intersat Corp. v. International Telecommunications Satellite Organization, 226 USPQ 154, 156 n. 5 (TTAB 1985) ("The earliest date of first use upon which Intelsat can rely in the absence of testimony or evidence is the filing date of its application"). It is difficult for applicant to establish an earlier date of first use of the mark in commerce. The testimony of its witness on this subject was indefinite. See Wilschut at 57 ("A. I have got an opinion of counsel on - at the time when I wanted to adopt M2 Communications. Q. Was that in 1997? A. No. Q. Was that in 1998? A. I don't recall); 63 (Q. Late in the year 1997 when you first used the mark, on what product or services was it used? A. Mostly used on letterhead... Q. When was it, actually, first used on a product? A. I do not recall the exact date. It might have been late 1997 or beginning of 1998"). Therefore, applicant has not shown it has a priority date prior to 1998.

Opposer, on the other hand, has submitted evidence that it has conducted business using the term M2, produced CD-

ROMs, and licensed a database prior to 1998. See Escamilla declaration ¶¶ 4 and 5 and Exhibits 3 and 4. Therefore, we conclude that opposer has priority regarding its trade/corporate name and service mark used in the music industry.

Likelihood of Confusion

We now consider the central issue that the parties have discussed, i.e., likelihood of confusion. We consider the factors set out by the Court of Appeals for the Federal Circuit and its predecessor, the Court of Custom and Patent Appeals, in In re Majestic Distilling Co., 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003) and In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973), in likelihood of confusion cases.

The first factor we consider is the similarities and dissimilarities of applicant's and opposer's marks. Applicant's mark is for the words M2 COMMUNICATIONS in standard character form. Opposer's registration is for the term M2, also in standard character form. Applicant has disclaimed the term "Communications." We start by rejecting opposer's argument (Reply at 2) that "the astounding absolute identity of the marks should be in the forefront in any analysis." While a disclaimed matter is often "less significant in creating the mark's commercial impression," In re Code Consultants Inc., 60 USPQ2d 1699, 1702 (TTAB

2001), it nonetheless cannot be ignored. In re Hearst Corp., 982 F.2d 493, 25 USPQ2d 1238, 1239 (Fed. Cir. 1992) (“[W]e believe that the Board erred in its diminution of the contribution of the word ‘girl.’ When GIRL is given fair weight, along with VARGA, confusion with VARGAS becomes less likely”). Here, the marks are not identical.

We now examine the similarities and dissimilarities of the marks in their appearance, sound, meaning, and commercial impression. Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005). Both marks are identical to the extent that they contain the same term “M2.” Because of this overlap, the marks would have significant similarities in appearance. In addition, the M2 portion, whether pronounced as M “two” or M “squared,” would be identical, and thus the marks M2 and M2 COMMUNICATIONS are very similar in sound. Also, there is no indication that the term M2 would have any different meaning in the marks. Furthermore, even when we consider the disclaimed term “Communications,” it does not create any significant differences in the meaning or commercial impression of the marks. Thus, the parties’ marks are very similar.

The next factor that we consider is the similarities and dissimilarities of the parties’ goods. It is important to note that here we must compare the goods as they are

described in the application and the registration in determining whether there is a likelihood of confusion. Octocom Systems, Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990) ("The authority is legion that the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods, the particular channels of trade or the class of purchasers to which the sales of goods are directed"). See also Paula Payne Products v. Johnson Publishing Co., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973) ("Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods").

Applicant's goods are interactive multimedia CD-ROMs containing educational information in the fields of pharmaceutical and medical product information, therapies and strategies, and medical, pharmaceutical, and healthcare issues. Applicant's CD-ROMs contain educational information concerning medical, pharmaceutical, and healthcare information. Consistent with this identification of goods, applicant's witness submitted that "[r]oughly 95% of M2 Communications' clients are pharmaceutical companies, while the remaining clients are comprised of biotechnology

companies and medical associations." Wilschut affidavit, ¶ 3. While we do not read limitations into identification of goods, when, as here, the identification of goods is limited to a particular field, our likelihood of confusion analysis dictates that the goods are considered as they are identified and limited in the application.

Opposer's goods are identified as "computer software featuring business management applications for the film and music industries; and interactive multimedia applications for entertainment, education and information, in the nature of artists' performances and biographical information from the film and music industries; and instructions and information for playing musical instruments." Opposer's software and multimedia applications are limited to the film and music industries.

We cannot agree with opposer that the "parties' goods and services are virtually identical." Opposer's Motion at 19. Opposer's software is limited to the film and music industries and applicant's goods are limited to the medical, pharmaceutical, and healthcare information. Therefore, the question is whether the goods of the parties are related and not identical. The board has addressed the question of whether computer products in general are related.

Opposer argues that the parties' products are related because each party provides software programs which process data. We decline to interpret the concept of related goods so broadly. All computer software

programs process data, but it does not necessarily follow that all computer programs are related. Given the ubiquitous use of computers in all aspects of business in the United States today, this Board and its reviewing Court have rejected the view that a relationship exists between goods and services simply because each involves the use of computers. See, Octocom Systems, Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990); Information Resources Inc. v. X*Press Information Services, 6 USPQ2d 1034 (TTAB 1988). In particular, the fact that both parties provide computer programs does not establish a relationship between the goods or services, such that consumers would believe that all computer software programs emanate from the same source simply because they are sold under similar marks.

Electronic Data Systems Corp. v. EDSA Micro Corp., 23 USPQ2d 1460, 1463 (TTAB 1992).

Therefore, the mere fact that both applicant's and opposer's goods can be described as interactive or that the products may be made in similar ways does not establish that the goods are related. "In view of the fact that computers are useful and/or are used in almost every facet of the world of business, commerce, medicine, law, etc., it is obvious that distinctions must be made." Reynolds & Reynolds Co. v. I.E. Systems Inc., 5 USPQ2d 1749, 1752 (TTAB 1987)

We note that this is not a case where the registered mark is for a broad class of goods and applicant's goods are a subset of that broad class of goods. See In re Linkvest S.A., 24 USPQ2d 1716, 1716 (TTAB 1992) ("Registrant's goods are broadly identified as computer programs recorded on magnetic disks, without any limitation as to the kind of

programs or the field of use. Therefore, we must assume that registrant's goods encompass all such computer programs including those which are for data integration and transfer"). See also Paula Payne Products, 177 USPQ at 77 (The registered mark for hair spray would not exclude applicant's hair brightener spray). Here, it is clear that applicant's CD-ROMs in the field of health, pharmaceutical, and medicine are not included within opposer's identification of goods for software in the film and music industry.

We add that even if the products were not in distinctly different fields that fact would not automatically mean that the goods or services are related. Electronic Design & Sales Inc. v. Electronic Data Systems Corp., 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir. 1992) ("[A]lthough the two parties conduct business not only in the same fields but also with some of the same companies, the mere purchase of the goods and services of both parties by the same institution does not, by itself, establish similarity of trade channels or overlap of customers"). See also Astra Pharmaceutical Products, Inc. v. Beckman Instruments, Inc., 718 F.2d 1201, 220 USPQ 786, 792 (1st Cir. 1983) (Pharmaceutical products sold to hospital pharmacies dissimilar to laboratory instrumentation sold to hospital laboratories). In another case, the Third Circuit held that

there was no likelihood of confusion when the marks CHECKPOINT and CHECK POINT were used in the security industry. Checkpoint Systems, Inc. v. Check Point Software Technologies Inc., 269 F.2d 270, 60 USPQ2d 1609, 1620 (3rd Cir. 2001) ("While Checkpoint Systems's access control, closed circuit television and radio frequency products may employ similar technology, their purpose is physical article surveillance or personal access. On the other hand, Check Point Software's firewall technology is not intended to prevent theft of merchandise or limit physical access. Its purpose is to prevent third parties from accessing information from unsecure computer lines. Because the products serve different functions, and there is only 'minimal overlap' in the product technology, it is unlikely consumers would be confused by the similar marks").

Furthermore, while opposer has argued that its registration "does not exclude development of the very same identified interactive multimedia applications to the 'expansion' marketing channel on which Applicant has based its new business" (Reply at 6 (emphasis omitted)), it has not established that CD-ROMs with information in the medical/healthcare/pharmaceutical field are within the natural zone of expansion for a producer of computer products for the music and film fields. Clearly, they are not within the scope of its identified goods in the

registration. Our case law has held that the "mere fact that computer accessories and computer toys and games involve the use of computers or software, and that applicants' goods are also computer software, does not, in and of itself, demonstrate that the computer software on which applicants use their mark is within the natural scope of expansion of the use of opposer's mark." Viacom International Inc. v. Komm, 46 USPQ2d 1233, 1238 (TTAB 1998). Opposer admits that it provides "products and services since its 1991 inception, all with the common characteristic of being (i) technology-oriented, and (ii) in the music industry." Opposer's Motion at 5. Opposer has not shown that it operates in applicant's medical/healthcare/pharmaceutical field. Based on the record, we cannot conclude that applicant's field is within opposer's natural scope of expansion.

We add that our conclusion would not change even if there were incidental musical arrangements on applicant's CD-ROMs. The presence of music on a medical CD-ROM would not make these otherwise dissimilar goods related. Quite simply, a CD-ROM containing a legal lecture with a few bars from a popular sound would not change the nature of the CD-ROM. Similarly, a medical CD-ROM that includes a discussion of elbow surgery and its results on a baseball player would not, by itself, make the CD-ROM related to CD-ROMs about

sports. The channels of trade and purchasers for these CD-ROMs would not change. They remain CD-ROMs concerning legal or medical practices. Therefore, we conclude that applicant's and opposer's computer products that exist in separate fields are not related beyond the fact that they would both be created in similar ways and used on the same device, a computer. Reynolds & Reynolds Co., 5 USPQ2d at 1752 (Evidence showed that opposer had a "division which deals in computers and computer related products. But it is clear that the ACCU marks are confined to their use to the products and services of the Tax Systems Division." Applicant's communications software is "sufficiently different").

While we have concentrated on the goods in opposer's registration, we have not overlooked opposer's corporate/trade name and its service marks and its goods to the extent that they are not included within the scope of the identification of goods in its registration. Opposer refers to these other products as its music industry database application, its record label services provided to other labels, and its music content on CDs, CD-ROMs, and the Internet. Opposer's Motion at 5-6. However, as opposer's self-identified descriptions indicate, these products and services would all be in the music industry. This is consistent with its admission that it has "provided a broad

line of products and services ... in the music industry." Opposer's Motion at 5. These common law uses do not change our basic analysis regarding the parties' intellectual property. Applicant and opposer operate in distinctly different fields and even considering these additional rights we do not see that there is a significantly different relationship between the parties.

Other factors that we consider in our likelihood of confusion analysis concern the prospective purchasers of the parties' goods or services and their channels of trade. It is difficult to see that there is any overlap between applicant's CD-ROMs in the medical/pharmaceutical/healthcare fields and opposer's "computer software featuring business management applications for the film and music industries; and interactive multimedia applications for entertainment, education and information, in the nature of artists' performances and biographical information from the film and music industries; and instructions and information for playing musical instruments." Even when we consider that opposer's goods include music CD-ROMs for groups such as Buckethead, the potential overlap would be de minimis. Certainly, applicant's medical-related CD-ROMs and opposer's software for business management applications in the film and music industries are distinct without any known overlap of purchasers or channels of trade. Regarding opposer's

other products, there is no indication that they would be sold in the same channels of trade as opposer's interactive medical-related CD-ROMS. While it is possible that a purchaser of CD-ROMs containing educational information in the fields of pharmaceutical and medical product information, therapies and strategies may also be interested in a Buckethead CD or another product of opposer, this would involve pure speculation and it would not indicate that confusion is likely.

[W]e acknowledge that opposer is correct that some overlap of the parties' customers could occur, especially where physicians and other medical professionals are also the parents of students. However, even assuming for purposes of summary judgment that many of the 569,160 physicians in the United States utilize their subscriptions to opposer's "Knowledge Finder" product in their homes and would also purchase a subscription to applicant's "INFORMATION FINDER" product for use at home by their children in connection with their schoolwork, we are constrained to agree with applicant that the prospects for any kind of confusion as to the source or sponsorship of the parties' goods is de minimis.

Aries Systems Corp. v. World Book Inc., 26 USPQ2d 1926, 1933 (TTAB 1993). See also Electronic Design & Sales, 21 USPQ2d at 1392-93 ("[O]pposer urges that persons who use opposer's data processing and telecommunications services at work and who buy batteries at retail stores would be confused as to source [T]he potential for confusion appears a mere possibility not a probability").

Regarding the other factors, they do not sufficiently effect the outcome in this case. There is little evidence

to indicate that opposer's mark has achieved any significant level of fame. While there is no evidence of actual confusion, this fact does not indicate that there is no likelihood of confusion. The absence of actual confusion does not mean there is no likelihood of confusion. Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390, 396 (Fed. Cir. 1983); J & J Snack Foods Corp. v. McDonald's Corp., 932 F.2d 1460, 18 USPQ2d 1889, 1892 (Fed. Cir. 1991). In this case, the lack of actual confusion may be due to the size of the companies and the fact that applicant does not advertise (Wilschut dep. at 78). Therefore, this factor is neutral.

While applicant argues that there are other third-party marks for M2, this evidence primarily is based on federal registrations and Google lists. Federal registrations are not evidence of use of the marks. In re Mucky Duck Mustard Co., 6 USPQ2d 1467, 1470 n.6 (TTAB 1988). The Google extracts do not provide much information on which to conclude that a substantial number of companies are actually using the M2 term. "Evidence of actual use of a phrase by a website has far greater probative value than the summary results of a search for key words, which may indicate only that the words in a phrase appear separately in the website literature." In re Fitch IBCA Inc., 64 USPQ2d 1058, 1060

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(TTAB 2002). We cannot conclude based on this evidence that opposer's mark is weak.

Opposer also refers to applicant's intent (Motion at 22-24) and suggests that applicant's intent should be a factor that should be held against applicant. The record does not establish that applicant had a bad intent when it adopted its mark. Applicant's witness indicated that it adopted the mark because it means "medical marketing." Wilschut dep. at 157. Furthermore, the witness denied that he had any knowledge of M2 Software at the time he designed applicant's trademark. Wilschut at 53. Therefore, we conclude that, based on the record, applicant's intent is not a factor that favors opposer.

When we consider all the evidence of record, we conclude that, while the marks are M2 and M2 COMMUNICATIONS are similar, the goods are not related and the channels of trade and purchasers are different. Therefore, we conclude that confusion in this case is not likely.

Decision: The opposition is dismissed.